

224 200363-003

PIER 80 SOUTH

THIRD AMENDMENT TO LEASE AGREEMENT

This Amendment ("Amendment") made as of the 23rd day of *July*, 1981, to Lease Agreement ("Lease Agreement") made as of the 19th day of April, 1974, as amended, between PHILADELPHIA PORT CORPORATION, a Pennsylvania non-profit corporation ("Lessor") and INDEPENDENT PIER COMPANY, a Delaware corporation ("Lessee")

WITNESSETH:

WHEREAS, the parties desire to amend the Lease Agreement as hereinafter set forth:

WHEREAS, pursuant to the Lease Agreement, Lessor has subleased to Lessee, Pier 80 South (the "Demised Premises"); and

WHEREAS, Lessee has demonstrated a need for an additional cargo container handling area; and

WHEREAS, Lessor and Lessee by Letter of Agreement ("Letter") dated August 7, 1980 and attached hereto as Exhibit "B", have agreed (a) that Lessee will demolish Pier 78 Annex Buildings No. 1 and 2 ("Pier 78 Annex") at its own expense; (b) that Lessor will make certain improvements (the "Improvements") to Pier 78 Annex; and (c) that Lessee will reimburse Lessor for said Improvements as stipulated in the Letter and that Pier 78 Annex as described in Exhibit "A" attached hereto, be included in and subject to all the terms and conditions of the Pier 80 South Lease Agreement.

NOW, THEREFORE, the parties to this Agreement, in consideration of the mutual covenants herein contained and intending to be legally bound hereby, agree as follows:

1. Effective on the 1st day of August, 1981, these premises shall be included in the Lease Agreement.

2. Lessee agrees to pay Lessor as additional rent (a) the sum of \$237,800 ("Improvement Costs"), which sum represents the amount expended by Lessor to erect and install the Improvements, and (b) plus interest thereon at the rate of 10% per annum in equal monthly installments of \$3,142.53 each beginning on the first day of the first month following Lessee's receipt of written notice from Lessor that the Improvements are completed and continuing until January 31, 1989, on which date the unpaid balance of the Improvements Costs and all accrued interest thereon shall be due and payable.

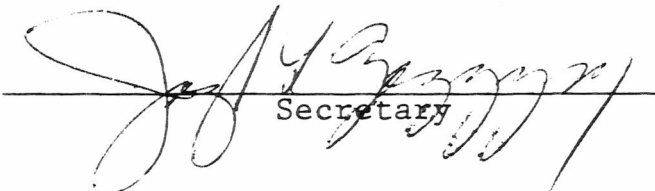
3. If Lessee does not elect to renew the Lease Agreement for an additional five-year period at the end of the present term, then the unamortized portion of the Improvements Costs with interest as aforesaid shall continue to be due and payable monthly during the succeeding five years, as if the Lease Agreement had remained in effect; provided, however, Lessee shall prior to the expiration of the Lease Agreement deliver to Lessor its promissory note in the sum of such unamortized portion with interest, in form satisfactory to Lessor.

4. In addition to the Improvements Costs and interests thereon, Lessee shall pay a rental of \$.18 per square foot, per annum, to be paid in monthly installments, of \$2,280.00 each. This additional rent shall be computed on the area within the perimeter of the new fence line consisting of 152,000 square feet as described in Exhibit "A" hereto attached.

5. Except as herein amended, all provisions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

ATTEST: (Corporate Seal)


Secretary

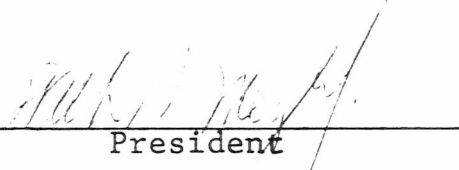
PHILADELPHIA PORT CORPORATION

BY: 
President
LESSOR

ATTEST: (Corporate Seal)


Secretary

INDEPENDENT PIER COMPANY

BY: 
President
LESSEE

SCHEDULE "A"

LEASE DESCRIPTION

PIER 78 SOUTH ANNEX
BUILDINGS 1 & 2

DESCRIPTION OF PROPERTY - BOUNDED BY DELAWARE
AVENUE, McKEAN STREET, RIVER STREET AND
SNYDER AVENUE

ALL THAT CERTAIN lot or piece of ground situate in the 39th Ward of the City of Philadelphia, described according to a survey and plan by Lewis C. Jones, Surveyor and Regulator of the Second Survey District, dated March 26, 1963, as follows:

BEGINNING at a point on the Easterly side of Delaware Avenue (200 feet wide), at the distance of 361.519' measured N 21° 52' 52" W along the said side of Delaware Avenue from the Northerly side of Snyder Avenue (75 feet wide); thence extending S 75° 20' 51" E, 550.824' along the Southerly side of McKean Street (125 feet wide); to the Westerly side of River Street (150 feet wide); thence extending along said side of River Street, S 14° 34' 53" E, 331.364' to the Northerly side of Snyder Avenue; thence extending along said side of Snyder Avenue, N 75° 30' W, 497.446' to the first mentioned point and place of beginning.

CONTAINING IN AREA 152,000 Square Feet.

Lewis C. Jones
Surveyor and Regulator
Second Survey District

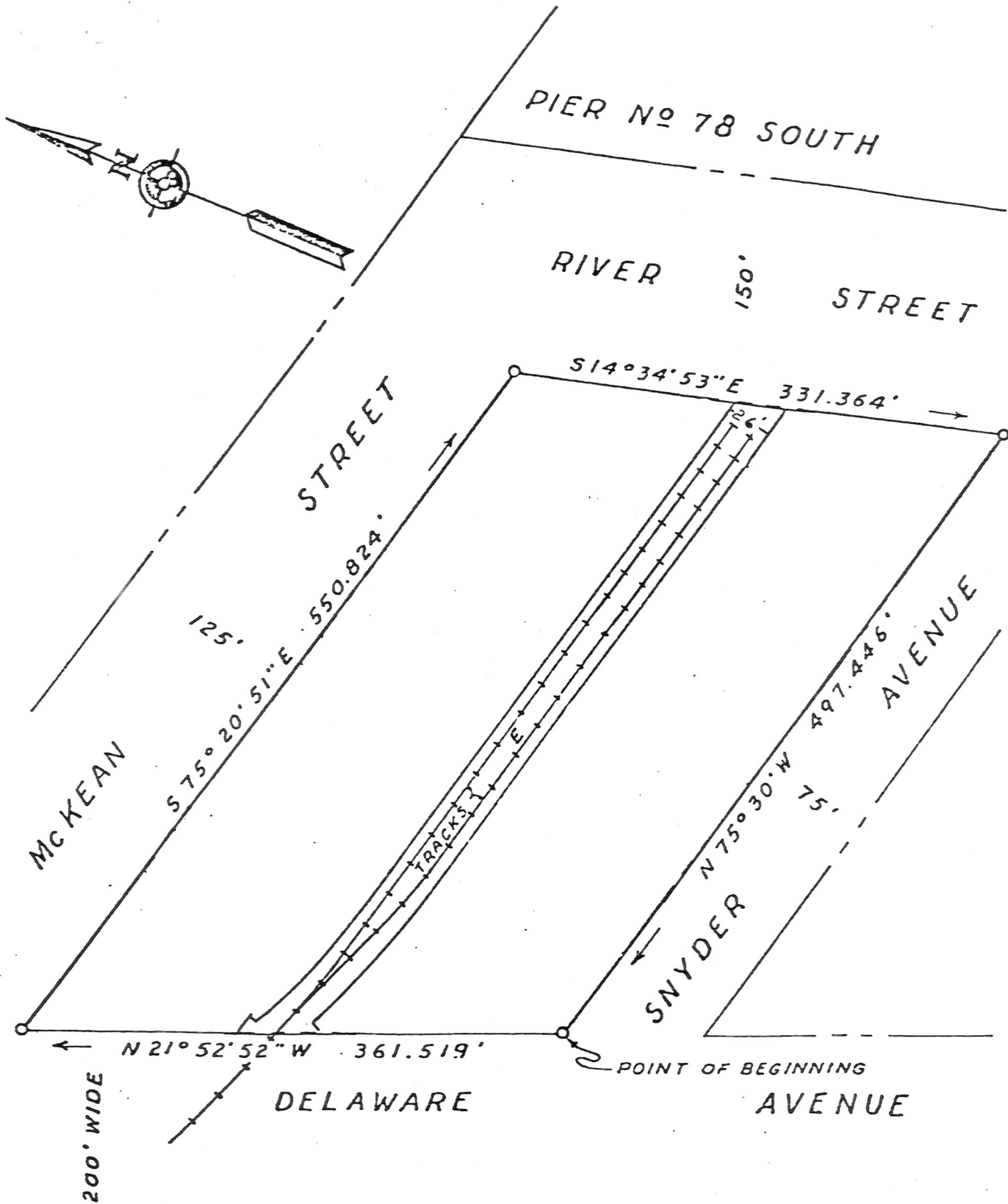


EXHIBIT - A
LEASE DESCRIPTION
PIER 78 SOUTH - ANNEX
Scale: 1" = 100' Date: 7-1-81
Drawn: J. J. M.
INDS D78S-AY182



EXHIBIT "B"

PHILADELPHIA PORT CORPORATION

1020 PUBLIC LEDGER BUILDING • 6th AND CHESTNUT STREETS
PHILADELPHIA, PENNSYLVANIA 19106 • (215) 928-3888

August 7, 1980

Independent Pier Company
303 Chestnut Street
Philadelphia, Pennsylvania 19106

Attention: Mr. William Meyle, President

RE: Additional Container Storage Area
Pier 78 South Annex #1 and #2

Gentlemen:

We wish to confirm the agreement reached at our recent meeting to demolish Pier 78 Annex Buildings No. 1 and No. 2 in order to provide additional space for the handling of containers in conjunction with your terminal operations at Pier 80 South.

It is proposed that this facility be added to your current Lease Agreement for Pier 80 South by amendment, with the stipulation that if you do not elect to renew your lease on Pier 80 South for an additional five-year period at the end of the present term, then the unamortized portion of the cost of improvements herein contemplated shall remain due and payable monthly during the succeeding five years, as if the lease had remained in effect.

Independent Pier Company will undertake the demolition of Pier 78 Annex Buildings No. 1 and No. 2 at its own expense.

The Philadelphia Port Corporation will take bids for the overlay bituminous paving to level up the existing floors, renew timber rail ties, align both rail tracks, construct a truck ramp off River Street, and install a chain link fence and one rail access gate. There has been no allowance for additional yard lighting in this proposal since it can be added as required at a later date.

There is presently a No. 6 switch leading from the main line track on Delaware Avenue to the siding. The railroad would prefer a No. 8 switch to facilitate handling the 90-foot rail cars. This would cost \$129,000 and would necessitate the approval of the P.U.C. and PennDOT.

The railroad is presently spotting the 90-foot cars on the

August 7, 1980

McKean Street siding which has a No. 6 switch from the main line tracks on Delaware Avenue. Hopefully, this section of Delaware Avenue will be re-constructed in the near future and a No. 8 switch can be installed at that time.

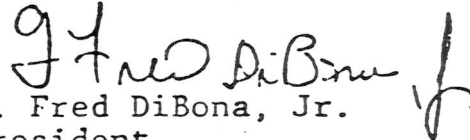
It is agreed that the cost of this work will not exceed \$160,000 unless you authorize additional expenditures.

Independent Pier Company will reimburse the Port Corporation for the cost of improvements with interest thereon at the rate of 10% per annum to be paid in equal monthly installments beginning when the improvements are completed and ending January 31, 1989.

In addition, there will be a rental of \$.18 per square foot, per annum, to be paid monthly, for the improved property. The rent shall be based on the area within the perimeter of the new fence line.

It would be appreciated if you would indicate your agreement with the foregoing by signing and returning the enclosed duplicate copy of this letter.

Sincerely,



G. Fred DiBona, Jr.
President

GFD,Jr/kgd
Enc.

Agreed this 12th day of

AUGUST 1980

INDEPENDENT PIER COMPANY

BY: 

President